



MINUTES

**CITY OF SCOTTSDALE POLICE LOCAL BOARD OF THE
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS)
REGULAR MEETING
11:00 a.m., Thursday, September 20, 2012
Police and Fire Department Headquarters—Operations Room
8401 E. Indian School Road
Scottsdale, Arizona 85251**

PRESENT: Jack Cross, Chairman/Mayoral Designee
Jeffrey Burg, Citizen Member
Velicia McMillan Humes, Citizen Member/Merit Head
Jeffrey Walther, Elected Member

ABSENT: James Butera, Elected Member

STAFF: Colleen Barraza
Ken Nemec

OTHERS: Mike Anthony, Esq.
Hannah Auckland, Esq.

Call to order

Chairman Cross called the meeting to order at 11:05 a.m. He stated that the first order of business was the acknowledgement of Board Member Butera's excused absence.

Roll call

A formal roll call confirmed the members present as stated above.

Possible Executive Session

Executive Session may occur at any time during this meeting.

1. Review and approval of meeting minutes—August 16, 2012

BOARD MEMBER WALTHER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF THE AUGUST 16, 2012 PSPRS POLICE LOCAL BOARD MEETING AS PRESENTED. BOARD MEMBER BURG SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). COMMISSIONER BUTERA WAS ABSENT.

2. Induction of new Scottsdale police officers into PSPRS

Board Members expressed their appreciation that the City of Scottsdale is now hiring additional police officers.

Mr. Nemec reported that David Lesser and Daniel Serbalik were both hired on April 23, 2012. He noted that neither police officer has a pre-existing condition and that their PSPRS membership date was September 20, 2012.

BOARD MEMBER BURG MOVED TO APPROVE THE INDUCTION OF NEW SCOTTSDALE POLICE OFFICERS (DAVID LESSER AND DANIEL SERBALIK) INTO PSPRS EACH WITH AN EFFECTIVE DATE OF SEPTEMBER 14, 2012 AND WITH PRE-EXISTING CONDITIONS, IF ANY, AS NOTED ON THE PSPRS POLICE INDUCTION LIST. BOARD MEMBER MCMILLAN HUMES SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). COMMISSIONER BUTERA WAS ABSENT.

3. Further discussion of the effective dates of accidental disability retirements and survivor benefit payments

Mr. Nemec reported that this agenda item was a follow-up to previous conversations had by the Board regarding cases where the effective dates of disability and accidental disability pensions were not consistent with the applicant's last day of employment.

He recalled staff's report to the Board on August 16, 2012 regarding their efforts to correct the effective dates for two police officers and one firefighter which resulted in retroactive pension payments.

Mr. Nemec explained that Public Safety sent staff a chart listing prior disability and accidental disability cases occurring from 2005 through 2012 for the Board's review.

He pointed out that the inconsistent pension effective dates of Firefighter Dart Craytor and Police Officers Edward Haines, Jr. and Joseph Geremia, III had been corrected, noting that retroactive pension payments would be forthcoming.

Chairman Cross expressed his surprise that Public Safety did not catch this error when it occurred. He recalled that in the past they had used a checklist which inquired whether the effective date on the application coincided with the first day of the month following the date of termination.

Discussion ensued regarding the unfairness of the situation and the fact that the PSPRS members were unaware that they were not being paid for time they earned.

Chairman Cross expressed the Board's appreciation that staff had researched and corrected these errors in the retirement process.

4. Discussion and vote on the Normal Retirement Application of Police Officer Jennifer Wattier

Mr. Nemec reported that Police Officer Jennifer Wattier was retiring with 20.001 years of service. He stated that the Applicant's paperwork is in order and the pension check associated with this retirement application is \$3,202.98.

Board Member explained that Police Officer Wattier had worked for him over the last three years, noting that she had wanted to reach 20 years of service before becoming a stay at home mom for her three adopted children.

Chairman Cross expressed the Board's appreciation for Police Officer Wattier's 20 years of service to the City of Scottsdale citizens.

BOARD MEMBER WALTHER MOVED TO ACCEPT THE NORMAL RETIREMENT APPLICATION OF POLICE OFFICER JENNIFER WATTIER AND TO APPROVE HER NORMAL RETIREMENT APPLICATION, EFFECTIVE AUGUST 23, 2012 SUBJECT TO FINAL PAYROLL CALCULATIONS AND QUALIFIED DOMESTIC RELATIONS ORDERS. THE MONTHLY PENSION ASSOCIATED WITH THIS APPLICATION IS \$3,202.98 TO BEGIN ON OR ABOUT OCTOBER 31, 2012 RETROACTIVE TO SEPTEMBER 30, 2012. BOARD MEMBER MCMILLAN HUMES SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.

5. Report to the Board on recently completed transfers of prior service credits, if any

Mr. Nemec announced that staff had nothing to report on recently completed transfers.

Chairman Cross reported that during today's prior Fire Local Board's meeting they discussed that the City of Scottsdale was only receiving approximately \$6,000 for a transferred member with one and a half years of service.

He explained that using the online method for calculating the cost of transferring one and a half years of service the amount came out to approximately \$12,000.

Chairman Cross summarized that after further review of the Arizona Public Safety Personnel Retirement System Actuarial Present Value Calculation chart, the Board found that under section G there was a funded percent deduction from the City of Scottsdale's retirement system. In the past the retirement system had always been given 100% of the transfer.

Chairman Cross said that legal counsel will review the calculation process to find out why a funded percent of the transfer was being deducted from the City of Scottsdale's retirement system.

He explained that should this deduction continue to occur the members of the PSPRS would lose the portability of their service credits.

6. Board suggestions for upcoming agenda items

Chairman Cross confirmed that there were no Board suggestions for upcoming agenda items at this time.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 11:16 a.m.

Respectfully Submitted by:

REVIEWED BY:

Ken Nemec
PSPRS Police Local Board Secretary

Jack Cross
PSPRS Chairman/Mayoral Designee